Date Mailed February 12, 1998

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of City Gas Company for Authority to Construct Facilities and Render Natural Gas Service in Portions of the Town of Polar, Langlade County, Wisconsin

1140-CG-104

NOTICE OF INVESTIGATION AND ASSESSMENT OF COSTS

City Gas Company, as a gas public utility, filed an application with the Commission on July 15, 1997, and an amended application on November 10, 1997, for authority under s. 196.49, Stats., and Chapter PSC 133, Wis. Adm. Code, to construct facilities and render natural gas service in portions of the Town of Polar, Langlade County, Wisconsin.

City Gas Company is proposing to install approximately 88,000 feet of gas distribution main and 131 services in this project. The estimated first year cost of the facilities is \$270,232. The project is proposed to start at the intersection of CTH F and Orchard Road. From that point the main will run east along CTH F two miles, then north along CTH F 1.5 miles to Gruenberg Road, then east along Gruenberg Road to Polar Road. At this point the main will run along Polar Road north approximately 0.5 miles and south approximately 1 mile. Some of the other local roads in the vicinity that will also receive gas service are Orchard Road, Crestwood Road, parts of Hill Road and other smaller, unnamed local roads.

City Gas Company and Wisconsin Public Service Corporation (WPS) have entered into a territorial agreement dividing the Town of Polar between the two companies. A copy of the territorial agreement was filed with the application is this case. The agreement assigns WPS Sections 1, 2, 3, 10, 11, 12, 13, 14, 23, 24, 25, 26, 35, 36, the east half of sections 4, 9, 22, 27, 34 and various parts of sections 15 and 16 as described in the territorial agreement. WPS has applied for this area in Docket 6690-CG-138. The remaining portion of the Town of Polar is assigned to City Gas Company, which is the subject of the application in this docket.

NOTICE IS GIVEN that the Commission will investigate the application without hearing.

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NOTICE IS FURTHER GIVEN that the Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices and activities of City Gas Company, as a gas public utility. The expenses incurred by the Commission which are reasonably attributable to the investigation will be assessed against and collected from City Gas Company as a gas public utility, under s. 196.85, Stats., and Chapter PSC 5, Wis. Adm. Code.

This is a Type III action under s. PSC 4.10(3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences havecome to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

If there are any questions regarding this matter, please contact Tom Stemrich, Natural Gas Division at $(608)\ 608-266-2800$.

| Dated at Madison, Wisconsin, | |
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| For the Commission: | |
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| Anita Sprenger, Administrator | |
| Natural Gas Division | |

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